



**The Hospital for Special Surgery Annual Report, 1975**

The New York Society for the Relief of the  
Ruptured and Crippled  
Maintaining  
The Hospital for Special Surgery  
Margaret M. Caspary Clinic  
535 East 70th Street, New York, New York 10021  
Affiliated with  
The New York Hospital-Cornell University Medical College



# **Annual Report, 1975**

## **The Hospital for Special Surgery**

*To prevent and cure diseases and injuries of the human musculo-skeletal system, and to rehabilitate human beings suffering from as yet incurable crippling disorders of the locomotor system.* These are the basic objectives of the Hospital for Special Surgery. The purpose of this Report will be to review the achievements of the recent past and at the same time to map a course for the foreseeable future.

In terms of the past we must look at three separate but closely related lines of endeavor: patient care, education and research.

### **Our Most Immediate Function**

Patient care continues to be the central focus of this specialty hospital which attracts patients not merely from our immediate community, but from across the nation and the world.

About 90% of all patients were admitted for orthopaedic surgery. The principle underlying causes are either injury or one of the forms of arthritis.

About half of our patients were admitted for operations on the extremity joints, with an increase in the number of such operations performed on joints other than the hip and knee. About one out of every four operations done at The Hospital for Special Surgery in 1975 was a total prosthetic joint replacement.

Our length of patient stay continues to decline; concurrently the demands for capacity in our operating rooms increases. These circumstances have pressed us into a thorough survey and assessment of our twenty year old operating suite.

Our ambulatory and out-patient services continued to grow, totaling 80,566 ambulatory patient visits during the year: an increase of 11%, a ratio of 22 visits for every hospital admission. These statistics clearly demonstrate that H.S.S. provides a substantial and important service to its immediate community while pursuing its broader mission of providing national and international leadership and service in its specialized fields, orthopaedic and rheumatic diseases and conditions.





# A Special Structure for Special Needs:

To better evaluate and deal with special problems, H.S.S. places increasing emphasis on a problem-oriented structure with important growth in numbers of patients being treated by our Supraspecialty Services: Sports Medicine, Adult Foot, Neck, Shoulder, Hand and Back Clinics.

A different emphasis to the Hospital's Total Joint Replacement Program was provided in 1975 by the introduction of a new technique for the ankle and the further modification and development of elbow and shoulder joint prosthetic replacement techniques. Devices designed and developed at H.S.S. were used in the great majority of such joint replacement operations. Devices for the wrist and shoulder joint have also been designed or modified, but they are still in more experimental stages of development and have been given only limited clinical trials.

Total prosthetic replacement of the hip and knee are now well established reconstructive procedures. However, refinements in design continue to be made, and continued long-term follow up of patients with artificial joints is essential. The Hospital's problem-oriented service structure is well suited for these purposes.

## A Climate for Innovation

This major commitment does not preclude other important accomplishments. To mention a few: progress has been made in X-ray and local blocking techniques to differentiate between the various mechanisms producing low back pain and sciatica in "degenerative" disease of the discs and interspinal joints; although significant contributions to the knowledge of "Brittle Bone" disease have been made, the objective of finding a truly effective treatment for the skeletal defect is still far from definitive solution; studies of the use of L-Dopa to control the involuntary movements of athetoid patients are encouraging.

Other important specialized activities continue to grow. Our Bone Tumor Service works closely with Memorial Hospital. Our Hemophiliac Arthropathy Service studies the needs of a rare affliction and provides reconstructive surgery for selected patients. A variety of services ranging from Scoliosis to Sports Medicine offer suitable

*One of the key members of the staff and of The Medical Board is Lee Ramsay Straub, noted physician with an outstanding reputation for particular expertise in hand surgery.*





clinical surroundings in which to provide immediate treatment and an innovative atmosphere in which to investigate and better understand opportunities for future solutions.

The Department of Radiology and Nuclear Medicine is a model for the structuring of orthopaedic X-ray departments all over the country. In the past year, major new diagnostic and study techniques have been initiated and through a generous private gift our capabilities were substantially broadened through the purchase of a new large crystal gamma camera and the installation of an on-line computer.

Financial support for experimental and investigatory work in many of these highly specialized areas has been provided through the generosity of many private resources.

Today much of the work at Special Surgery is devoted to finding and providing the best means of correcting crippling defects derived from disease or injury. As Philip D. Wilson, Jr., M.D., Surgeon-in-Chief puts it:

*"Today we are better at replacing and repairing than we are at controlling the body mechanisms to prevent such defects in the first place."*

Therefore, greater emphasis continues to be applied to studies of the degenerative processes to determine the causes of changes in bone and muscle tissue which result in crippling conditions.

## **From Clinic to Lab**

Under the dynamic leadership of the late Philip D. Wilson, M.D., Surgeon-in-Chief from 1935 to 1955 research was formalized at The Hospital for Special Surgery. Since 1960, laboratory research has been housed in its own facility, The Caspary Research Building across 71st Street from the Hospital itself. The bridge that connects the two structures is highly symbolic of the close connection that exists between clinic and laboratory and of the flow of new knowledge and experience that is exchanged between the two units.

As stated by the Director of Research, Robert C. Mellors, M.D., Ph.D.

*"The research program of the Hospital joins service and teaching in the effort to advance understanding of the musculo-skeletal system, its structure, function, disease and injuries, and to improve patient care through clinical and laboratory research."*

*Board Member, Vice President and Chairman of the Development Committee, Charles H. Thieriot, plays a major role in looking to the future needs of the Hospital in terms of both facilities and sources of financial support.*



TO ERR IS HUMAN  
TO REALLY FOUL THINGS UP  
TAKES A COMPUTER





# Areas of Exploration

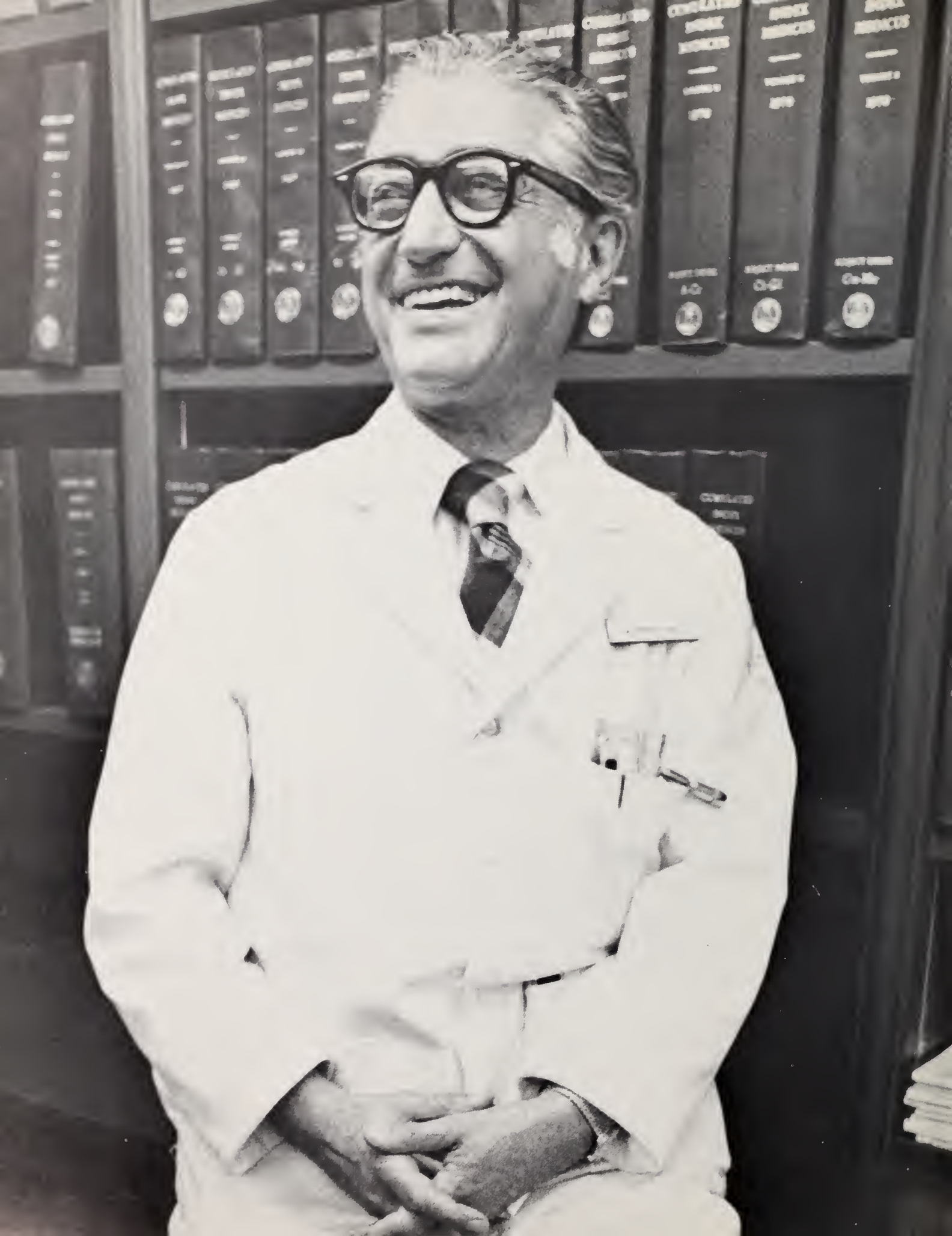
The causes of and cure for the different forms of arthritis probably command the highest priority both in clinical and laboratory research. A research objective of the Bioengineering Laboratory has been the design, development and clinical trial of new and improved prosthetic joint replacements. The new implant devices have been developed through basic research on the anatomy, functions and biomechanics of the natural joints through advances in joint replacement surgery. Further biomechanical studies have dealt with the stability and laxity provided by different knee prostheses, the stress and wear as related to the curvature and conformity of prosthetic components, the important aspect of internal fixation of components, the development of expanding intramedullary rods for correcting deformities in patients with osteogenesis imperfecta, and detailed study of the anatomy of cruciate ligaments of the knee.

In other areas of research, studies have been made involving new radiological techniques for diagnosis and prognosis in difficult clinical cases, a study which should be further advanced by the recent acquisition of a new gamma camera. Other studies seek the basic causes of osteogenesis imperfecta and of bone tumors. Particular emphasis is being placed on an advanced study of collagen, the protein that is the backbone of the tissue that makes up the musculo-skeletal system.

A research objective of the Department of Medicine is to determine the causes of rheumatoid arthritis, systemic lupus erythematosus and allied diseases. During the course of the year a variety of findings have contributed to progress in meeting these objectives.

Key to all research at H.S.S. is the exchange of new findings from clinic to laboratory and back. The sense of urgency to meet our objectives of not only correcting but preventing bio-mechanical defects is well expressed by Charles L. Christian, M.D., Physician-in-Chief who states:

*"In the research sphere we share with our colleagues elsewhere the frustration and humiliation of not being able to 'cure' or more effectively control arthritis, but I am an optimist. I think it is quite*





*realistic to anticipate a major improvement in our knowledge of the cause of rheumatic syndrome and from this information have the means of control."*

## **School is Never Out**

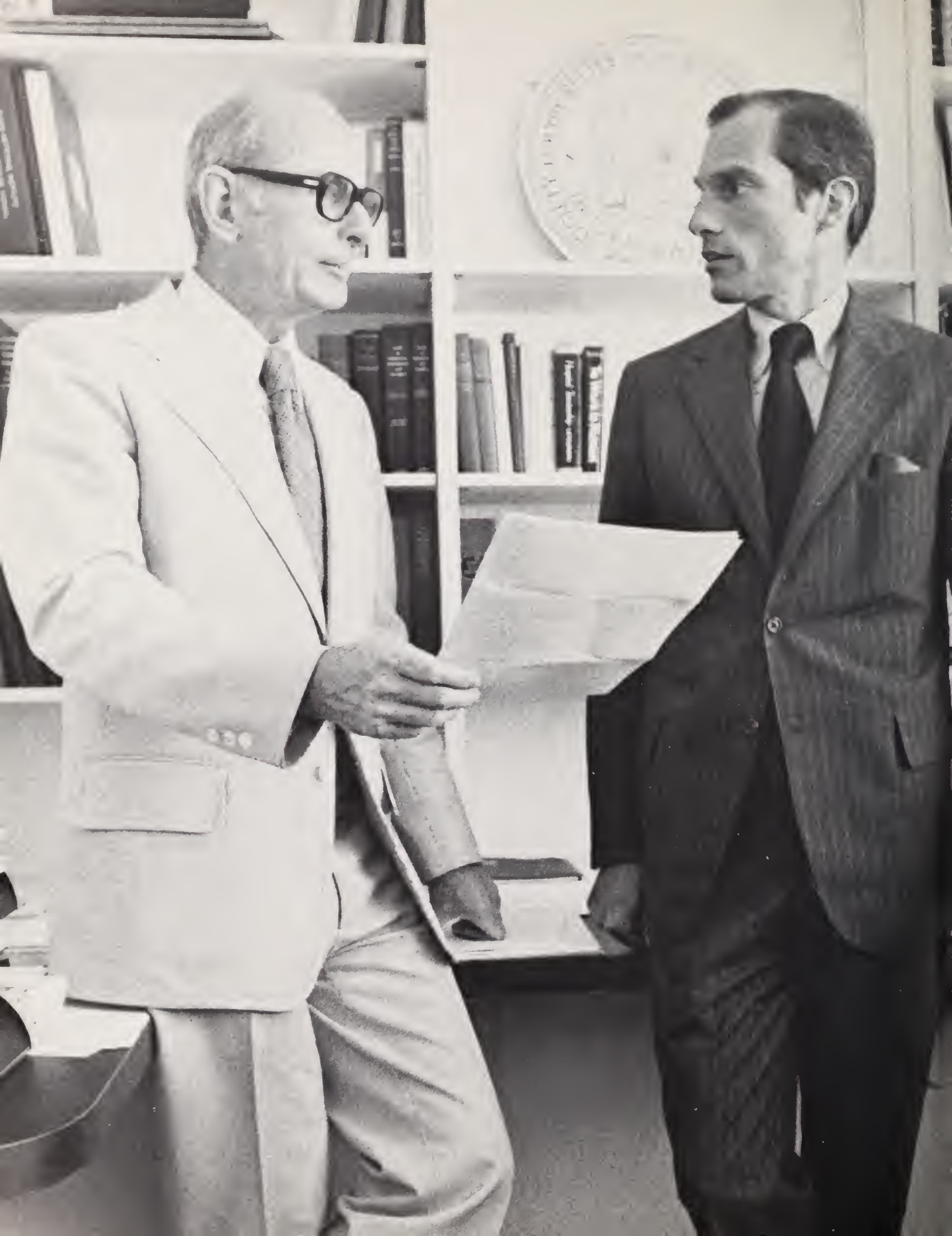
Education is the other pivotal function of The Hospital for Special Surgery's professional activity. Our professional staff not only participates in the education of others, mainly through our affiliation with the Cornell Medical School, but is involved in a continuing process of self-education.

In the year past, the Hospital staff was active in Medical Education at all levels and carried on an intensive education program for medical students and for its own House Staff. A special course for first year medical students involving the advanced study of the musculo-skeletal system is of particular interest and has apparently attracted increasing numbers from Cornell Medical School to graduate into orthopaedics.

The educational program of the Department of Medicine has flourished. There is an increasing pool of talented applicants from whom a minority can be chosen for postdoctoral training positions. There is the gratification of seeing graduates of the program assume positions of responsibility in other universities.

Internally, meetings are held frequently for small and large groups at which the work of the Hospital is constantly reviewed and analyzed with free discussion. Such seminars provide the best possible form of continuing education for members of the attending and House Staffs. The Hospital's annual Alumni Meeting is a major event which attracts outstanding members of the orthopaedic profession to return from across the nation, even distant parts of the world to exchange ideas and to keep in close touch with new developments emerging from the various programs here at H.S.S.

Our Nursing Service places similar emphasis on continuing education with forty-five members of the staff participating in workshops and seminars. Our somewhat unique School for Practical Nursing continues to help fulfill a much needed basic function and to provide the Hospital with its own supply of highly qualified practical nurses, in addition to feeding into our unique Registered Nurse Scholarship Program.





# A Notable Achievement

Not all of our accomplishments are to be found in the professional sector. For although our basic functions are *patient care*, *research*, and *education*, the fortunes of The Hospital for Special Surgery and its ability to contribute to society are dependent on its financial health. It is a happy occasion in perilous times when our Administrative Vice President, T. Gordon Young, can report:

*"At a time when the great majority of this nation's health institutions have just completed a year with financial losses so staggering they threaten survival, The Hospital for Special Surgery finds itself in a distinctive category: over on the credit side."*

This accomplishment is no accident; it is the product of careful management, a tight rein on expenses and judicious planning for new operations or activities.

We are very much aware that we continue to face, as do all health centers everywhere, grave financial problems. Many frustrations will challenge us all in the next few years. Nevertheless, H.S.S. stands on solid ground today, and we feel that we can take great satisfaction in our fortunate financial status at this particular time in medical history. Details are to be found in the Financial Section.

Particular interest centers on the very substantial Research Operating Budget which shows a total income figure of \$1.72 million for 1975, down about \$200,000 under the preceding year, and a small surplus of operating income over expense before depreciation. Sixty-four percent of total research income came from Federal and private grant awards to principal investigators.

# A Major Crisis

The so-called "malpractice crisis" was one of the most difficult financial problems of the year. Fortunately, the Hospital suffered no disruption of operations, but we were confronted, as were the medical staff, with staggering increases in the cost of medical liability insurance. After careful study, it was decided, because of excessive premiums and our excellent claim experience, that, upon expiration of our current insurance coverage on March 1, 1976, the Hospital would become a self-insurer, with appropriate claim reserves being accrued to cover potential liability.

*On the firing line daily in helping to keep the operating and financial aspects of the Hospital's administrative activities running smoothly are James D. O'Neill, Financial Director, and Christopher G. Wilbur, Associate Director.*





# Our Greatest Asset

People are our greatest asset: the people who help the Hospital for Special Surgery serve its local, national and world-wide community; the people who are dedicated to relieving suffering and to solving some seemingly insolvable problems.

An institution is only as good as the people who comprise it. And in this ingredient H.S.S. is truly unique. Few who come into contact with the Hospital fail to comment on the atmosphere, the feeling that is generated throughout the organization.

Many of these people are listed on the pages that follow and many more are not. Volunteers, nurses, technicians, payroll clerks, doctors, therapists, maintenance people, administrators, residents. Each in his own way contributes to the particular "climate" that makes H.S.S. what it is.

And then there are the Hospital's friends; the people who are our financial life blood. These are our contributors: those who help fund our research programs; those who give much-needed equipment, like an electron microscope; those who support our benefits and those who work so hard to make them a success; the legion of loyal friends and grateful patients who provide much needed contributions, large and small, year after year. For the past, our thanks; for the future, our hope for your continued interest and support.

## Where Do We Go From Here?

As we said at the out-set, our purpose here is to appraise the past and to set our sights on the future.

In looking ahead, we start with a *rededication to a clearly stated, specialized mission; to our role in our community both local and world-wide; to our functional and highly complementary partnership with The New York Hospital Cornell Medical Center; to our educational contribution to a new generation of physicians.*

We start with a strong financial base together with an exceptional year of financial performance that will be hard to match in the future. However, with prudent management and careful control we will maintain as tight a fiscal balance as possible. These considerations in combination require a tight rein on expansion.

*The Hospital for Special Surgery Women's Auxiliary under the capable leadership of Mrs. David Reuter, Chairman, does yeoman service throughout the Hospital, operating the gift shop and patients' library, helping with special events and raising substantial funds for both the Hospital and the United Hospital Fund.*

We seek controlled growth. For the immediate future our 200 bed size is adequate to the scope of our facilities. We need, most importantly, to continue to monitor the efficiency of utilization of our plant. Currently, the only effective addition of beds would be in the limited care area.

We have one crying need: the modernization of our operating room suite. We need to add one operating room to our current four. We need additional recovery room space for more effective post-operative care. We need better climate control. A survey on this vital subject is under way.

Following close scrutiny, plans to accommodate needs for the foreseeable future will be announced. The most difficult part of this sensitive assignment is to effectively build for the future without sacrificing the on-going present.

We will be enlarging our research facility immediately to accomodate the needs of our expanding bio-engineering unit under the direction of our new associate, Albert Burstein, Ph.D., who comes to H.S.S. from Western Reserve in Ohio with credentials as one of the original innovators in the field of bio-engineering. This event dovetails with our objective of building an increasingly effective program of interdisciplinary training and education in the fields of both medicine and bio-engineering.

*Our objectives continue to be ambitious. Our view of the future is optimistic, despite all the problems facing medicine in general and hospitals in particular. But our goals are totally accessible, given the continuing dedication of those directly connected with the functional aspects of the operation and the continued support of the Hospital's many and generous friends.*

Henry U. Harris, Jr., President

Philip D. Wilson, Jr., M.D., Surgeon-in-Chief

T. Gordon Young, Administrative Vice President



**Contributions**

*Hospital for Special Surgery can only maintain its position in the forefront of patient care, education and research through the continuing loyal support of its friends and benefactors. We need gifts, grants and bequests to provide new equipment and facilities and to provide endowment for specific projects and activities.*

**Checks** *should be made payable to Hospital for Special Surgery.*

**Securities** *should be endorsed in blank or accompanied (preferably under separate cover) by an executed standard "stock power" form with signature guaranteed.*

**Bequests** *should be in the name of The New York Society for the Relief of the Ruptured and Crippled. Such bequests may be designated for a specific purpose. We will be happy to help you select one which is suitable.*

*As the Hospital is a non-profit institution, all gifts qualify for deductions in accordance with Federal and State laws.*

*For further information, please contact the Office of Administrative Vice President, Hospital for Special Surgery, 535 East 70th Street, New York, New York 10021*

# Officers and Board Members

## Medical Board

# Medical and Research Staff

### Officers

#### President

Henry U. Harris, Jr.

#### Chairman, Executive Committee

William H. Osborn, Jr.

#### Vice Presidents

Mrs. Edwin I. Hilson

Charles H. Thieriot

#### Administrative Vice President

T. Gordon Young

#### Treasurer

Loring Catlin

#### Corresponding Secretary and Secretary

William H. Osborn, Jr.

#### Assistant Treasurer

#### and Assistant Secretary

James D. O'Neill

### Members

Mrs. Charles O. Ames

Mrs. Harcourt Amory, Jr.

Philip Bastedo

Abraham L. Bienstock

Mrs. Horace Brock

\*Mrs. Walker O. Cain

Peter B. Cannell

Loring Catlin

Paul J. Collins

Mrs. Ellen C. Dammond

Mrs. Walter J. Fried

Henry U. Harris, Jr.

Mrs. Edwin I. Hilson

Robert L. Hogue, Jr.

Henry B. Hvde

James F. Lawrence

David M. Mixer

Andre W. G. Newburg

William H. Osborn, Jr.

Guichard Parris

Thomas Parsons, III

Samuel S. Polk

Norman R. Ritter

Arthur D. Schulte

Charles H. Thieriot

Mrs. Ezra K. Zilkha

### Honorary Members

Samuel S. Duryee

Charles H. Dyson

Mrs. Eleanor Langley Fletcher

S. Hazard Gillespie

James C. Kellogg, III

Marshall Rawle

E. Sheldon Stewart

Charles J. Symington

Reginald T. Townsend

\*Resigned 10/75

### Chairman

Philip D. Wilson, Jr., M.D.

### Secretary

John N. Insall, M.D.

### Board Members

Carl A. Berntsen, M.D.

Charles L. Christian, M.D.

John L. Fox, M.D.

Robert H. Freiburger, M.D.

David B. Levine, M.D.

Robert C. Mellors, M.D., Ph.D.

Leon Root, M.D.

Lee Ramsay Straub, M.D.

### Department of Orthopaedic Surgery

Philip D. Wilson, Jr., M.D., Surgeon-in-Chief

#### Attending Orthopaedic Surgeons

William D. Arnold, M.D.

Rolla D. Campbell, M.D.

John H. Doherty, M.D.

Alexander Hersh, M.D. (Emeritus)

Allan E. Inglis, M.D.

Bernard Jacobs, M.D.

David B. Levine, M.D.

Frederick L. Liebolt, M.D. (Emeritus)

Peter J. Marchisello, M.D.

Robert Lee Patterson, Jr., M.D. (Surgeon-in-Chief Emeritus)

Lee Ramsay Straub, M.D.

#### Associate Attending Orthopaedic Surgeons

Walther H.O. Bohné, M.D.

\*\*Albert H. Burstein, Ph.D. (Biomechanical Engineering)

John N. Insall, M.D.

\*\*\*Joseph M. Lane, M.D.

Ralph C. Marcove, M.D.

John L. Marshall, D.V.M., M.D.

Victor Mayer, M.D.

Chitranjan S. Ranawat, M.D.

Leon Root, M.D.

Eduardo A. Salvati, M.D.

#### Assistant Attending Orthopaedic Surgeons

Samuel Avnet, M.D.

Howard Balensweig, M.D.

John P. Lyden, M.D.

Jeanne Pamilla, M.D.

\*\*Peter A. Torzilli, Ph.D. (Biomechanical Engineering)

Konstantin P. Velis, M.D.

Jayaraja Yogarajnam, M.D.

#### Orthopaedic Surgeons to Out-Patient Department

Kenneth A. Falvo, M.D.

Gary A. Gallo, M.D.

Robert A. Goldstone, M.D.

Thomas D. Rizzo, M.D.

N.D. Krishne Urs, M.D.

#### Staff Bioengineer

\*Peter S. Walker, Ph.D.

#### Orthotist and Prosthetist

Herbert E. Kramer, B.S.

\*Resigned 11/30/75

\*\*Effective 5/20/76

\*\*\*Effective 7/1/76



## Department of Medicine

Charles L. Christian, M.D., Physician-in-Chief

### Attending Physicians

William H. Kammerer, M.D.  
Klaus Mayer, M.D.  
Irwin Nydick, M.D. (Cardiology)

### Associate Attending Physicians

Carl A. Berntsen, Jr., M.D.  
Abraham S. Jacobson, M.D.  
Lawrence J. Kagen, M.D.  
Michael D. Lockshin, M.D.  
Paul E. Phillips, M.D.  
William C. Robbins, M.D.  
Bernard Rogoff, M.D.  
Emmanuel Rudd, M.D.  
Ernest Schwartz, M.D.  
James P. Smith, Jr., M.D. (Pulmonary Medicine)

### Assistant Attending Physicians

Harry Bienenstock, M.D.  
Edgar J. Desser, M.D.  
Martin Gardy, M.D.  
Eric A. Jaffe, M.D.  
Herbert Koteen, M.D.

\*\*\*\*Robert W. Lightfoot, Jr., M.D.

\*\*\*Joseph A. Markenson, M.D.  
Francis Perrone, M.D. (Cardiology)  
Marcos Rivelis, M.D.

### Physicians to Out-Patient Department

Thomas T. Bowman, M.D. (Emeritus)  
Richard L. Danehower, M.D.  
Leroy H. Hunninghake, M.D.  
Bento Mascarenhas, M.D.  
Walter L. Norton, M.D.

### Assistant Physician to Out-Patient Department

Robert Winchester, M.D.

## Department of Anesthesiology

John L. Fox, M.D., Director

### Attending Anesthesiologist

Anita H. Goulet, M.D.

### Associate Attending Anesthesiologists

Thomas V. Miles, M.D.  
Joseph E. Shahmoon, M.D.

### Assistant Attending Anesthesiologists

George Balint, M.D.  
Erlina L. Lobrin-Farcon, M.D.

\*\*\*Effective 7/1/76

\*\*\*\*Resigned 6/30/76

## Department of Laboratories

Robert C. Mellors, M.D., Ph.D., Director

### Attendings

Carl G. Becker, M.D. (Microbiology)  
Peter G. Bullough, M.D. (Pathology)  
Charles L. Christian, M.D. (Immunology)  
Leonhard Korngold, Ph.D. (Immunology)  
\*\*\*\*Robert W. Lightfoot, Jr., M.D. (Immunology)  
Klaus Mayer, M.D. (Hematology)  
Laurence B. Senterfit, D.Sc. (Microbiology)

### Associate Attendings

Tjongtik Goei, Ph.D. (Biochemistry)

### Assistant Attendings

Lilian M. Reich, M.D. (Hematology)  
Aquilus Villacin, M.D. (Pathology)

## Department of Physical Therapy and Rehabilitation

Leon Root, M.D., Susan Greenwall, Director

## Department of Radiology and Nuclear Medicine

Robert H. Freiburger, M.D., Director

### Attending Radiologists

Bernard Ghelman, M.D.  
John Laughlin, Ph.D. (Physics)

### Associate Attending Radiologists

\*\*\*\*Jeremy J. Kaye, M.D.  
Robert Schneider, M.D.

### Assistant Attending Radiologists

Lawrence M. Blau, Ph.D. (Physics)  
Walther H.O. Bohne, M.D. (Nuclear Medicine)  
Amy Goldman, M.D.

### Radiologist to Out-Patient Department

James C. Hirschy, M.D.

## Department of Supporting Services

### Neurology

Peter Tsairis, M.D., Ph.D. (Chief of Service)

### Associate Attending Pediatric Neurologist

Hart deC. Peterson, M.D.

### Pediatrics

Wan Ngo Lim, M.D. (Chief of Service)

### Associate Attending Pediatricians

Margaret Hilgartner, M.D.  
Virginia C. Mitty, M.D.

\*\*\*\*Resigned 6/30/76

Assistant Attending Pediatrician  
Madelyn E. Olson, M.D.

Assistant Pediatrician to Out-Patient Department  
Donald Skog, M.D.

## Psychiatry

Associate Attending Psychiatrist  
James Warren Brown, M.D.

Associate Attending Psychologist  
David Clayson, Ph.D.

## Research Division

Robert C. Mellors, M.D., Ph.D., Director

### Senior Scientists

\*\*Albert H. Burstein, Ph.D.  
Charles L. Christian, M.D.  
Allan E. Inglis, M.D.  
Leonhard Korngold, Ph.D.  
Klaus Mayer, M.D.  
Aaron S. Posner, Ph.D.

### Associate Scientists

Lawrence M. Blau, Ph.D.  
Walther H.O. Bohne, M.D.  
Peter G. Bullough, M.D.  
Lawrence J. Kagen, M.D.  
\*\*\*Joseph M. Lane, M.D.  
\*\*\*\*Robert W. Lightfoot, Jr., M.D.  
Michael D. Lockshin, M.D.  
John L. Marshall, D.V.M., M.D.  
Jane W. Mellors, Ph.D.  
Paul E. Phillips, M.D.  
\*Peter S. Walker, Ph.D.

### Assistant Scientists

Foster Betts, Ph.D.  
Norman Blumenthal, Ph.D.  
Adele Boskey, Ph.D.  
\*\*\*Joseph A. Markenson, M.D.  
\*\*Peter A. Torzilli, Ph.D.

### Visiting Scientists

\*\*\*\*\*Chen-Ya Huang, Ph.D.  
\*\*\*\*\*Masakatsu Imamura, M.D.  
\*\*\*Michael W. Panio, M.D.

### Consultants

Fakhry G. Girgis, M.D., Ph.D.  
Sten-Erik Olsson, D.V.M., M.D., Ph.D.  
Paul Tannenbaum, D.D.S.  
\*\*\*\*\*Barry Wolfe, Ph.D.

\*Resigned 11/30/75

\*\*Effective 5/20/76

\*\*\*Effective 7/1/76

\*\*\*\*Resigned 6/30/76

\*\*\*\*\*Appointment terminated 6/30/76

# Administration

## House Staff \*

### Residents

Nat. A. Barchaker, M.D.  
Edwin M. Betero, M.D.  
L. N. Brigham, M.D.  
C. C. Brown, M.D.  
L. M. Dines, M.D.  
James H. Ellison, M.D.  
Joseph F. Fetto, M.D.  
David J. Fleiss, M.D.  
George M. Goldmark, M.D.  
Harry Goldmark, M.D.  
Roger L. Greenberg, M.D.  
William F. Kennard, M.D.  
J. Gregory Kinnett, M.D.  
Lewis B. Lane, M.D.  
Robert D. McMillan, M.D.  
John E. Morrison, M.D.  
Harry J. Robinson, Jr., M.D.  
Peter S. Robinson, M.D.  
Jacob D. Rozbruch, M.D.  
Roy M. Rubin, M.D.  
Richard L. Salzer, Jr., M.D.  
W. Norman Scott, M.D.  
Bernard N. Stulberg, M.D.  
Jon B. Wang, M.D.

## Senior Orthopaedic Surgery Fellows

Walter Besser, M.D.  
Lawrence D. Dorr, M.D.  
Tom Hallel, M.D. to 10/31/76  
Peter W. Hughes, M.D.  
Manuel Quiles, M.D.  
Peter M. Rozing, M.D.  
Tzony Siegal, M.D.

## Rheumatic Diseases Fellows

Geoffrey Gratwick, M.D.  
Stuart Kassan, M.D.  
Stephen Paget, M.D.  
Jeffrey Pines, M.D.  
Allan Weiss, M.D.

## Neurology Fellow

Richard Bailyn, M.D.

## Orthopaedic Pathology Fellow

David Fitzpatrick, M.D.

## Experimental Pathology Fellows

Anthony P. Albino, Ph.D.  
Hiroo Ueno, M.D.

## Orthopaedic Research Fellow

Bruce Reider, M.D.

## Bone Radiology Fellow

Helen Pavlov, M.D.

## Radiology Fellow

Donald D. Sauser, M.D. to 12/31/76

## Honorary Staff

T. Campbell Thompson, M.D.  
Surgeon-in-Chief  
Charles L. Burstein, M.D.  
Director, Department of  
Anesthesiology  
Richard H. Freyberg, M.D.  
Director, Department of  
Rheumatic Diseases  
Milton Helpert, M.D.  
Chief of Pathology  
Thomas I. Hoen, M.D.  
Consultant in Neuro-Surgery  
\*\*Raymond W. Lewis, M.D.  
Chief of Radiology  
Jacob C. Lifton, D.D.S.  
Consultant in Orthodontia  
Joseph Moldaver, M.D.  
Director, Neurological  
Service  
Peter-Cyrus Rizzo, M.D.  
Attending Orthopaedic  
Surgeon

## Consultant Staff

\*\*John F. Devlin, M.D.  
Pathology  
John Dorsey, M.D.  
Plastic Surgery  
Sidney Eichenholtz, M.D.  
Orthopaedic Surgery  
Jose Luis Granda, M.D., Ph.D.  
Clinical Biochemistry  
H. Mason Hicks, M.D.  
Medicine  
Myron R. Melamed, M.D.  
Pathology  
Royal Montgomery, M.D.  
Dermatology  
Willibald Nagler, M.D.  
Physical Therapy And  
Rehabilitation  
James A. Nicholas, M.D.  
Orthopaedic Surgery  
Arthur Okinaka, M.D.  
Thoracic Surgery  
Frank G. Pettengill, M.D.  
Medicine  
Alfred L. Scherzer, M.D.  
Pediatrics  
Richard M. Stark, M.D.  
Orthopaedic Surgery  
Peter H. Stern, M.D.  
Physical Therapy and  
Rehabilitation  
John E. Sullivan, M.D.  
Surgery  
Robin C. Watson, M.D.  
Radiology  
Russell Zelko, M.D.  
Orthopaedic Surgery  
(Sports Medicine)

## Administrative Vice President

T. Gordon Young

## Associate Director

Christopher G. Wilbur

## Financial Director

James D. O'Neill

## Director of Nursing

D. Dean Smith

## Director of Personnel

Deborah Fuller

## Administrative Department Heads

### Admitting

Ellen Ritt

### Asst. Dir. of Nursing, Nursing Ser.

Mary Jane Quatroche

### Asst. Dir. of Nursing, Nursing Ed.

Mildred Hallock

### Building Services

Rose Cronin

### Business Office

Enith Sandoval

### Clinic Nursing

Mary Cushen

\* Marjorie Pangas

### Communication Services

Jeanne Rankin

\*\* Gladys Neustadter

### Comptroller

James Dillon

### Computer Services

Lawrence Blau

### Dietary

Peggy Webb

### Engineering

Joseph Weiss

### Fund Raising

Mary Ryan

### Laboratories

Tjongtik Goei

### Medical Education

Jean McDaniel

### Medical Library

Kim Barrett

### Medical Photography

Dorothy Page

### Medical Records

Marjorie Walker

### Operating Room

Ingrid Andersson

\* Resigned 5/30/75

\*\* Resigned 8/22/75

\*As of 7/1/76

\*\*Died in 1976



# Women's Auxiliary

# Volunteers

**Out-Patient Department**  
George Sarkar

**Pharmacy**  
Vincent Conti

**Prosthetics & Orthotics**  
Herbert Kramer

**Radiology**  
George Sarkar

**Receiving & Stores**  
Clyde Bentham

**Rehabilitation Medicine**  
Judith Kurtz

**Research Administration**  
Walter J. Schulz

**Social Work**  
Alice Woo

**Volunteers**  
Virginia Roberts

**Hospital Chaplains**

**Catholic**  
The Reverend John O'Brien  
\*The Reverend Joseph M. Reilly

**Jewish**  
Rabbi Sol Kahane

**Protestant**  
The Reverend Monty Cox

\*Deceased

## Officers

**Chairman**  
Mrs. David Reuter

**Vice-Chairman**  
Mrs. William Arnold

**Treasurer**  
Mrs. Robert H. Freiburger

**Corresponding Secretary**  
Mrs. Carl Berntsen

**Recording Secretary**  
Miss Margaret M. Ryan

## Active Members

Mrs. William Arnold  
Mrs. Charles S. Bannerman  
Mrs. Carl Berntsen  
Mrs. Ivor Bevan  
Mrs. Newcomb D. Cole  
Miss Hazel Evans  
Mrs. Robert H. Freiburger  
Mrs. Walter J. Fried  
Mrs. Jack Furth  
Mrs. John Heuss  
Mrs. Allan Inglis  
Mrs. Theodore Kaufmann  
Mrs. Richard Kessler  
Mrs. Cristina P. King  
Mrs. Robert Kohns  
Mrs. David Levine  
Mrs. Robert Lee Patterson, Jr.  
Mrs. Willis R. Phillips  
Mrs. Robert I. Powell  
Mrs. David Reuter  
Mrs. Leon Root  
Miss Margaret M. Ryan  
Mrs. Herman Sokol  
Mrs. John Steel  
Mrs. Lee Ramsay Straub  
Mrs. Sidney Voice  
Mrs. Armitage Watkins  
Mrs. Philip D. Wilson, Jr.

## Contributing Members

Mrs. Barton Alderson  
Mrs. Paul Arbon  
Mrs. Horace Brock  
Mrs. Andre de Coizart  
Mrs. Eleanor Langley Fletcher  
Mrs. Llewellyn Lee  
Mrs. P. Bell Phillips  
Mrs. Carl A. von Goeben  
Mrs. Thomas Wheelock  
Mrs. Henry Van D. Wing

*30 Years and Over*  
Mrs. Willis R. Phillips

*25 Years and Over*  
Mrs. Charles S. Bannerman  
Mrs. André-Istel  
Mrs. Armitage Watkins

*20 Years and Over*  
Mrs. Newcomb D. Cole  
Mrs. O. Vaughn Dennis  
\*Mrs. Robert Geller  
Mrs. Saul Goldstein  
Mrs. Henry Numrich  
Mrs. David G. Reuter  
Mrs. John D. Sloane

*15 Years and Over*  
Mrs. William D. Arnold  
Mrs. Ivor Bevan  
Mrs. Jay Bresler  
Mrs. J. Howard Denny  
Mrs. Eleanor Langley Fletcher  
Mrs. Raphael Meisels  
Mrs. Robert Lee Patterson Jr.  
Mrs. George F. Rooney

*10 Years and Over*  
Mrs. Robert Freiburger  
Mrs. Ide K. Haber  
Mrs. Robert Kohns  
Mrs. Murray Mandel  
Mrs. Walter Niklaus  
Mrs. William E. Parsley  
Mrs. Robert Powell  
Miss Yolande Salzat  
Mrs. Lee Ramsay Straub  
Mrs. Sidney P. Voice  
Mrs. Robert P. Warren  
Mrs. Philip D. Wilson Jr.  
Mrs. Paul Wolf  
\*Mrs. Elias Zavin

*5 Years and Over*  
Mrs. Alma Askin  
Mrs. Sidney Berman  
Mr. Benjamin Cohen  
Miss Margaret M. Crowley  
Miss Rosetta Darraugh  
Mrs. Bennett Fass  
Mr. Salvatore Fazio  
Mrs. Emil Fink  
Mrs. Jack Furth  
Mrs. Joseph J. Gerritse  
Mrs. Craig Gillespie  
Mrs. Rube Goldberg  
Mrs. Charles Haight  
Mrs. Siegfried Hannah  
Mrs. Lisa Harper  
Miss Judith Johnston  
Mrs. Theodore Kaufmann  
Mrs. Cristina P. King  
Mrs. Isabelle Kleinfield  
Mrs. Richard Kobrin  
Mrs. Julianne Koennecke  
Mrs. Barnet Liss  
Mrs. Harold S. Lyon  
Mr. Sydney S. Mirman  
Mrs. Gerald Samoff  
Mrs. Herman Sokol  
Mrs. John Steel  
Miss Hanna Stiller  
Mr. Elias Zavin

\*Deceased

# Comparative Balance Sheet as at December 31

## Assets

	December 31,	
	1975	1974
<b>Unrestricted Fund:</b>		
Current Assets:		
Cash .....	\$ 545,131	\$ 133,168
Accounts receivable for services to patients, less allowance for uncollectible accounts and contractual allowances of \$320,000 (1975) and \$448,000 (1974) (Note 1a) .....	1,537,265	1,801,814
Due from reimbursing agency - rate adjustments (Note 1a) .	549,709	836,583
Loans and other accounts receivable .....	207,010	169,067
Inventories of materials and supplies - at cost .....	556,542	462,709
Prepaid expenses and deferred charges .....	110,560	88,821
Total Current Assets .....	3,506,217	3,492,162
Noncurrent portion of loans receivable .....	34,000	63,600
Board-designated -		
Marketable securities (quoted market - \$9,151,000 (1975) and \$6,488,000 (1974)(Notes 1b and 2) .	8,474,838	6,549,661
Investments:		
Sutton Terrace Apartments (Note 3) .....	820,000	820,000
Other (Note 4) .....	2	2
Property, plant and equipment (Notes 1c, 5, 6 and 7) .....	11,446,761	10,044,984
	<u>\$24,281,818</u>	<u>\$20,970,409</u>
<b>Specific purpose funds:</b>		
Cash .....	\$ 1,108	\$ 1,139
Marketable securities (quoted market - \$544,000 (1975) and \$500,000 (1974) (Note 1b) .....	539,439	509,370
Due from Unrestricted Fund .....	1,110,507	704,155
	<u>\$ 1,651,054</u>	<u>\$ 1,214,664</u>
<b>Plant Replacement Fund:</b>		
Marketable securities (quoted market - \$2,986,000 (1975) and \$2,467,000 (1974) (Note 1b) .....	\$ 2,753,020	\$ 2,490,511
<b>Research Fund:</b>		
Cash .....	\$ 22	\$ 2,441
Accounts receivable:		
United States Public Health Service research grants (Note 9) .....	700,898	231,279
Marketable securities (quoted market - \$966,000 (1975) and \$832,000 (1974) (Note 1b) .....	819,747	788,967
Due from Unrestricted Fund .....	—	199,595
	<u>\$ 1,520,667</u>	<u>\$ 1,222,282</u>
<b>Endowment Fund:</b>		
Cash .....	\$ 14,672	\$ 37,243
Marketable securities (quoted market - \$3,129,000 (1975) and \$2,564,000 (1974) (Note 1b) .....	2,793,816	2,735,238
	<u>\$ 2,808,488</u>	<u>\$ 2,772,481</u>



1975 and December 31, 1974

## Liabilities and Fund Balances

	December 31,	
	1975	1974
<b>Unrestricted Fund:</b>		
Current Liabilities:		
Accounts payable	\$ 561,492	\$ 693,861
Accrued salaries	342,749	263,638
Payroll taxes payable	41,551	18,162
Other current liabilities	300,771	254,339
Current portion of mortgage payable (Note 7)	26,100	24,072
Due to reimbursing agencies - rate adjustments (Note 1a)	44,392	5,418
Due to restricted funds	723,711	851,977
Total Current Liabilities	2,040,766	2,111,467
Mortgage payable (Note 7)	747,284	773,384
Contingencies (Note 13)		
Fund balance	21,493,768	18,085,558
	<u>\$24,281,818</u>	<u>\$20,970,409</u>
<b>Specific purpose funds:</b>		
Fund balances:		
Pinkerton Fund	\$ 235,455	\$ 235,455
Second Century Fund	489,175	415,140
Other funds	926,424	564,069
	<u>\$ 1,651,054</u>	<u>\$ 1,214,664</u>
<b>Plant Replacement Fund:</b>		
Fund balance	<u>\$ 2,753,020</u>	<u>\$ 2,490,511</u>
<b>Research Fund:</b>		
Accounts payable	\$ 19,718	\$ 19,718
Due to Unrestricted Fund	359,836	—
Fund balances:		
United States Public Health Service grants	521,923	452,825
Outside foundation grants	251,687	384,603
Institutional funds	367,503	365,136
	<u>\$ 1,520,667</u>	<u>\$ 1,222,282</u>
<b>Endowment Fund:</b>		
Principal:		
Restricted as to use of income	\$ 2,463,154	\$ 2,422,004
Unrestricted as to use of income	318,374	298,704
Due to Unrestricted Fund	26,960	51,773
	<u>\$ 2,808,488</u>	<u>\$ 2,772,481</u>

(See notes to financial statements)

# Condensed Comparative Statement Of Revenues And Expenses

For the year ended December 31, 1975 and December 31, 1974

	Year ended December 31,	
	<u>1975</u>	<u>1974</u>
<b>Hospital operating revenue:</b>		
Patient service revenue, net of allowances of \$1,776,000 (1975) and \$1,061,000 (1974) (Note 1a) . . . . .	\$15,913,316	\$14,129,025
Other operating revenue . . . . .	<u>1,253,400</u>	<u>1,150,408</u>
	<u>17,166,716</u>	<u>15,279,433</u>
<b>Hospital operating expenses:</b>		
Salaries . . . . .	9,985,153	9,334,748
Supplies and expenses . . . . .	6,561,157	5,981,575
Depreciation . . . . .	<u>678,917</u>	<u>783,573</u>
	<u>17,225,227</u>	<u>16,099,896</u>
Less transfers from other funds and other reimbursements of specific expenses . . . . .	<u>340,515</u>	<u>451,862</u>
	<u>16,884,712</u>	<u>15,648,034</u>
	282,004	(368,601)
Revision of prior year's third-party rates (Note 11) . . . . .	<u>—</u>	<u>203,122</u>
<b>Income/(Loss) from hospital             operations</b> . . . . .	282,004	(165,479)
Net general research loss . . . . .	<u>(151,308)</u>	<u>(148,158)</u>
<b>Income/(Loss) from hospital and             general research operations</b> . . . . .	130,696	(313,637)
Nonoperating revenue (net) (Note 12)	<u>1,574,402</u>	<u>746,279</u>
	<u>1,705,098</u>	<u>432,642</u>
Cumulative effect on prior years (to December 31, 1974) of changing the method of computing depreciation (Note 6) . . . . .	<u>1,908,900</u>	<u>—</u>
<b>Excess of revenues over expenses</b> . . . . .	<u>\$ 3,613,998</u>	<u>\$ 432,642</u>

See notes to financial statements



# Notes to Financial Statements

For the years ended December 31, 1975 and 1974

## **1. Summary of Significant Accounting Policies**

### **a. Accounts Receivable for Services to patients and Patient Service Revenue**

Patient Service revenue is accounted for at established rates on the accrual basis. Allowances for contractual, charitable and other arrangements are included in deductions from patient service revenue.

Preliminary calculations of revenue adjustments relative to third-party contractual agreements are included in the accompanying financial statements. Normal variances between these estimates and final settlements upon audit by third-party payors are included in the statement of revenues and expenses in the year in which the settlement occurs.

### **b. Marketable Securities**

Marketable securities are recorded at cost or, if a gift, at fair market value of the securities at the date of the gift. It is the Hospital's policy to treat gains and losses on disposals of restricted funds securities as additions to or deductions from the related fund balances. In years prior to 1975, gains and losses on disposals of unrestricted fund securities were treated similarly, which is not in conformity with generally accepted accounting principles. In 1975, such unrestricted fund gains and losses are included in the statement of revenues and expenses, and the 1974 statements have been restated to conform as described in Note 12. Under the laws of the State of New York, accumulated net gains relating to restricted funds securities may, under certain conditions, be transferred to unrestricted fund. Amounts which may be available for such transfer have not been determined.

### **c. Property, Plant and Equipment and Depreciation**

Property, plant and equipment is recorded at cost or, in the case of gifts, at fair market value at the date of gift. Depreciation is computed by the straight-line method, based upon the estimated useful lives of the individual assets. The method of depreciation for certain assets was changed during 1975, as described in Note 6.

### **d. Pension Cost**

It is the Hospital's policy to fund accrued pension cost currently.

## **2. Board-Designated Securities**

In 1975, the Board of Managers directed that unrestricted fund securities be excluded from current assets and carried as board-designated assets, as these securities are not intended or required to be realized for current expenditures. The 1974 statements have been restated to reflect this reclassification for comparative purposes.

## **3. Investment-Sutton Terrace Apartments**

On August 1, 1969, the Society and five other institutions purchased, as tenants in common, the Sutton Terrace Apartments. The Society's 10% pro rata share of the cost of this investment was \$800,000. The Society has also made net working capital contributions totaling \$20,000 since the date of acquisition. The Society's 10% equity, based upon audited financial statements as of December 31, 1975, was \$585,279.

## **4. Investment-Other**

This represents the nominal value assigned to the Society's interest in oil wells which were donated to the Hospital.

## **5. Property, Plant and Equipment**

Property, plant and equipment, at cost, is summarized as follows:

	December 31,	
	1975	1974
Land	\$ 1,399,343	\$ 1,399,343
Buildings	12,967,435	12,953,453
Furniture and equipment	5,763,980	5,427,807
	<u>20,130,758</u>	<u>19,780,603</u>
Less accumulated depreciation	8,700,172	9,735,619
	<u>11,430,586</u>	<u>10,044,984</u>
Construction in progress	16,175	—
	<u>\$11,446,761</u>	<u>\$10,044,984</u>

The method of computing depreciation for buildings and fixed equipment was changed in 1975, as described in Note 6.

#### 6. Change in Method of Computing Depreciation

Depreciation of buildings and buildings service equipment has been computed by the straight-line method in 1975. Depreciation of buildings and buildings service equipment in prior years beginning in 1968 was computed by the sum of the years-digits method. The new method was adopted because management believes that the straight-line method more closely approximates the expiration rate of the economic lives of these assets and has been applied retroactively to buildings and buildings service equipment acquisitions of prior years. The effect of the change in 1975 was to increase income by approximately \$120,800. The adjustment of \$1,908,900, to apply retroactively the new method, is included in income of 1975. The pro forma amounts of excess of revenue over expenses, assuming the new depreciation method is applied retroactively, is as follows:

	Year ended December 31,	
	1975	1974
Excess of revenues over expenses	<u>\$1,705,098</u>	<u>\$601,142</u>

#### 7. Mortgage Payable

The mortgage note, which bears interest at the rate of 8-1/4% per year, is collateralized by a mortgage on property owned by the Society, the carrying value of which is approximately \$543,000. Combined interest and principal payments are due in monthly installments of \$7,414 (\$88,965 annually). Interest expense for the years 1975 and 1974 was \$64,893 and \$66,793, respectively. The unpaid balance of the mortgage note becomes due and payable on May 21, 1991.

#### 8. Pension Plan

The Hospital has a noncontributory pension plan covering all employees after completion of six months of employment if hired prior to age 55. Employees' interest in the plan is 100% vested after fifteen years of credited service and the attainment of age 50, payable at normal retirement at age 65. Although contributions to the plan may be reduced or suspended at any time, it is the Hospital's policy to fund accrued pension cost currently. The total expense for the plan was \$276,341 and \$230,940 for the years 1975 and 1974, respectively. The portion of the Hospital's current payment into the plan to fund past service cost is estimated at \$90,700. The past service cost is to be amortized over the next twenty-eight years. The actuarially computed value of vested benefits for the plan as of May 31, 1975, exceeded the total of the pension fund by approximately \$65,000.

As of December 31, 1975, the plan is not in compliance with the Employee Retirement Income Security Act of 1974, which will become effective on June 1, 1976 with respect to this plan. On February 19, 1976, the Board of Managers approved the necessary revisions in the plan to comply with the Act. In the opinion of management, the revisions will not result in any material change in annual pension cost.

The Hospital also made payments to retired personnel not covered by the plan of \$29,064 and \$29,351 for the years 1975 and 1974, respectively.



## 9. United States Public Health Service Research Grants

Expenditures (other than overhead charges) for the years 1971 through 1975 have not been audited by the government and are subject to retroactive adjustment should such audits occur. Overhead charges have been audited through 1974; amounts charged and included in income in 1975, aggregating \$181,200 are subject to audit and retroactive adjustment. Management's opinion is that no material adjustments will result.

## 10. Bicknell Trust

The Hospital's General Research Fund is the beneficiary of income from this trust in perpetuity.

## 11. Revision of Prior Year's Third-Party Rates

During 1974, the Hospital received rate adjustments in settlement of all potential disputes and controversies concerning the computation of the 1973 Prospective Reimbursement rates received for services rendered Blue Cross subscribers and those patients whose care was chargeable to governmental agencies.

## 12. Nonoperating Revenue

Net nonoperating revenue consists of the following:

	Year ended December 31,	
	1975	1974
Contributions and legacies .....	\$ 790,932	\$ 526,837
Investment income .....	512,165	398,087
Net gain/(loss) on sales of securities .....	302,140	(75,733)
Other .....	91,102	20,880
	<u>1,696,339</u>	<u>870,071</u>
Less nonoperating expenses .....	121,937	123,792
	<u>\$1,574,402</u>	<u>\$ 746,279</u>

## 13. Contingencies

### a. Malpractice Indemnity

On February 19, 1976 the Board of Managers adopted a resolution indemnifying ten hospital-based physicians for malpractice liability up to a total of \$500,000 for each physician, in excess of the insurance of \$1,000,000 per claim, \$3,000,000 in the aggregate, which presently covers each of these physicians. The indemnity is in effect from January 1, 1976 to June 30, 1976.

### b. Self-Insurance

On February 19, 1976, the Board of Managers resolved that effective March 1, 1976 the Hospital shall assume all risks of professional liability, and shall indemnify without limitation all persons previously covered by the Hospital's insurance. Also, effective March 1, 1976 the Hospital assumed primary self-insurance on general liability in amounts up to \$1,000,000 and obtained excess coverage from an insurance company in the amount of \$15,000,000 with a patient exclusion.

Board of Managers  
New York Society for the Relief  
of the Ruptured and Crippled,  
Maintaining The Hospital for  
Special Surgery and Margaret M.  
Caspary Clinic  
New York, New York

We have examined the balance sheet of the New York Society for the Relief of the Ruptured and Crippled, Maintaining The Hospital for Special Surgery and Margaret M. Caspary Clinic as of December 31, 1975 and 1974, and the related statements of revenues and expenses of unrestricted fund, revenues and expenses of research funds, changes in fund balances, and changes in financial position of unrestricted fund for the years then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the financial position of the New York Society for the Relief of the Ruptured and Crippled, Maintaining The Hospital for Special Surgery and Margaret M. Caspary Clinic at December 31, 1975 and 1974, and the results of its operations, changes in fund balances, and changes in its financial position of unrestricted fund for the years then ended, in conformity with generally accepted accounting principles which, except for the change, with which we concur, in the method of computing depreciation as described in Note 6, have been applied on a consistent basis after restatement for the change, with which we concur, in the method of reporting gains and losses on disposals of unrestricted funds securities as described in Note 1.b.to the financial statements.

TOUCHE ROSS & CO.  
Certified Public Accountants

New York, New York  
March 29, 1976